Action Taken by SEBI/DSE

1302. SHRI DILIP SINGH JUDEV: Will the Minister of FINANCE be pleased to refer to answer to Starred Question 330 given in the Rajya Sabha on 21st December, 1999 and state:

(a) what are the reasons for not transferring the case to CBI for a thorough probe;

(b) whether it is a fact that the complainant had in 1998 submitted documents to establish identity as one of the legal heirs;

(c) if so, what action SEBI/DSE had taken to transfer the "Share Certificates" to the original member;

(d) whether the present occupant of their share certificates has been asked to explain as to how he has obtained these share certificates; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) This case refers to transfer of share certificate No. 149 of the Delhi Stock Exchange Association Ltd. (DSE) by legal heirs of a deceased member. Two share certificates of DSE were needed in order to become a trading member of the exchange. The complainant, who claims to be one of the legal heirs, has alleged that the transfer of the share certificate took place by forging documents/signatures. As a charge of forgery is required to be established by the complainant through a Criminal Court and an appropriate order for rectification of the Register of Members is required to be obtained from the Company Law Board, SEBI advised the complainant to take action on these lines. Subsequently, the complainant did not approach SEBI to indicate that action was taken as suggested and the complaint was treated as closed by SEBI. Thus, there was no cause for SEBI to refer the case to CBI.

(d) and (e) According to information received from DSE, the present holder of share certificate No. 149 is M/s Argus Stock Brokers Pvt. Ltd. and the promoter/director of this company is Shri S.B. Dewan, who has corporatised his firm in 1997. Shri Dewan has stated that the share in question was purchased by him in 1967. Shri Dewan acquired share certificate No. 149 from Smt. Tarawati Sharma and another one from M/s Virender Saigal and Co.